

**CLARK COUNTY**  
**FINANCE COMMITTEE**

**FOURTH QUARTER, 2001**



**FEBRUARY 14, 2002**

**CLARK COUNTY**  
**FINANCE COMMITTEE**  
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**REGULAR MEETING MINUTES**  
Clark County Finance Committee Meeting  
Wednesday, October 24, 2001  
Clark County Treasurer's Office  
1 p.m.

Members in Attendance: Doug Lasher, Chair  
Greg Kimsey, Secretary  
Betty Sue Morris, Commissioner

Others in Attendance: Curt Wyrick, Prosecuting Attorney's Office; John Payne, Cathy Huber Nickerson, Carrie Lewellen, Lori Pearce, Treasurer's Office.

Recording: Kathleen Smithline, Treasurer's Office

The meeting was called to order by Doug Lasher, Chair, at 1:27 p.m. with a quorum present.

• **APPROVAL OF MINUTES**

**MOTION** was made by Betty Sue Morris, seconded by Doug Lasher, and unanimously carried to approve the Minutes of August 16, 2001.

• **APPROVAL OF COUNTY FINANCE REPORT**

Lori Pearce presented an overview of the Third-Quarter County Finance Report, which included investment strategies, economic and market conditions, and a review of the portfolio as of September 30, 2001. The GDP for the third quarter was anticipated to contract by -0.7% compared to a revised 0.3% annual growth from April to June. Unemployment for the month of September was 4.9% in the nation, and economists are predicting unemployment to reach 5.3% at the end of the year. The current unemployment rate in Clark County is 6.6%. The consumer confidence index in the U.S. economy dropped in September to the lowest level in more than 5 ½ years to 97.6. The Feds lowered the short-term interest rate on October 2 for the ninth time this year to its lowest level in four decades. The three-month T-bill on September 30 yielded 2.365% compared to 3.651% on June 30, 2001. The yield curve begins to shift upward after the six-month sector. The County Pool ended the third quarter at 8.306% on a total return basis compared to the custom Treasury total return index of 10.326%. The maximum average balance was \$399 million at the end of September compared to \$374 million during 2000.

The County's investment strategy is to invest in the 0 – 1 year maturity sector to keep the average maturity of the portfolio between nine to ten months; maintain allocation to Federal Agencies; monitor spread between Treasuries and Agencies and possibly increase allocation to the Treasury sector; and continue to maintain allocation to callables. **MOTION** was made by Betty Sue Morris, seconded by Greg Kimsey, and unanimously carried to approve the County Finance Report for Third Quarter, 2001.

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- **PRESENTATION OF PUBLIC FINANCIAL MANAGEMENT REPORT**

Lori Pearce presented an overview of the Public Financial Management Report, which was prepared by Barbara Fava of Public Financial Management, Inc. With the third quarter reflecting short-term interest rates continuing to fall to the lowest level in 39 years, the September 11 attack on America has raised concerns that the U.S. economy is in a prolonged period of weakness and deteriorating economic conditions. PFM recommends that the County maintain allocation to Federal Agency obligations; maintain allocation to the State LGIP; allow the portfolio's average maturity to fall within nine – ten months; and continue to maintain allocation to callables. **MOTION** was made by Greg Kimsey, seconded by Betty Sue Morris, and unanimously carried to approve the Public Financial Management Report.

- **COUNTY DEBT STATUS**

Carrie Lewellen presented an overview of the County's outstanding debt as of September 30, 2001. At the end of the third quarter, 2001, the total outstanding debt of Clark County and its junior taxing districts totaled approximately \$665 million compared to \$617 million June 30, 2001. New issues during the third quarter were: Clark County issued \$37,090,000 in Limited Tax General Obligation Bonds to finance the Clark County Campus Development Project; Camas School District issued \$3,365,000 in Unlimited Tax G.O. Refunding Bonds to refinance a portion of their 1996 Unlimited Tax G.O. Bond issue and generate a substantial debt service savings over the remaining life of the bond; the Port of Camas/Washougal issued \$2,340,000 Limited Tax G.O. Bonds to purchase land; LaCenter School District issued a \$695,000 Tax Anticipation Note to cover general fund cash flow requirements during the next school year; Hockinson School District issued an \$8,000,000 Revenue Anticipation Note to fund the high school construction project in advance of receiving state match dollars; Battle Ground School District issued \$2,290,000 in Unlimited Tax G.O. Refunding Bonds to refinance the callable portion of their 1991 Unlimited Tax G.O. Bond Issue and to pay the costs of issuance. Pending new issues include Washougal School District, \$1,850,000 in Limited Tax G.O. Bonds to purchase land; the Port of Vancouver, \$10,000,000 for capital improvements to the Port facilities; the Port of Camas/Washougal, and \$545,000 in Revenue Refunding Bonds to refinance an existing revenue bond that yields a higher interest rate.

- **LINE OF CREDIT**

Carrie Lewellen explained the process for securing a financial institution for the County's line of credit. The County's current line of credit financial institution is First Independent Bank. An RFP resulted in five respondents: First Independent Bank; Riverview Bank; Key Bank, U.S. Bank; and Bank of America. We have reviewed the responses and will probably select First Independent as they have the most aggressive bid. The highest bid was 75% of prime and the lowest was 54% of prime.

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- **OTHER**

Curt Wyrick discussed the County's deferred compensation plan. In response to a question from Greg Kimsey, he noted that management does not have a fiduciary responsibility to provide a plan to employees. He also stated that he has not been able to find anything to substantiate that there would be a difference in responsibility between a defined benefit plan and an employee-selected plan.

There being no further business before the committee, upon **motion** by Doug Lasher, seconded by Greg Kimsey, and unanimously carried, the meeting was adjourned at 2:08 p.m. The next meeting will be on call of the chair.

Submitted by: \_\_\_\_\_  
Greg Kimsey, Secretary

Prepared by: \_\_\_\_\_  
Kathleen Smithline

## **SECTION II - EXECUTIVE SUMMARY**

This report reflects the outcomes achieved in our investment activities based on the implementation of the May 12, 2000 Investment Policy and Standards. The report provides a retroactive review of the activities occurring during the fourth quarter, 2001.

During the fourth quarter, the average maturity of the portfolio was approximately nine months, compared to ten months at the end of the third quarter, 2001. The sector distribution of the portfolio changed slightly in the fourth quarter, with approximately 60% of the portfolio invested in Federal Agencies, 30% invested in money markets, 2% in commercial paper, 7% invested in U.S. Treasuries and 1% in municipal bonds. At the end of December 2001, the total portfolio was approximately \$505 million.

As of fourth quarter in 2001, residual balances averaged \$58.2 million compared to \$58.3 million in 2000 on a monthly basis. As a result of the Federal Reserve's reduction of the Fed funds rate in 2001, interest earnings distributed to the County's General Fund totaled \$2,966,013 in 2001, compared to \$3,470,055 for 2000, a decrease of approximately \$504,042. Interest earnings exceeded our revised projections by approximately \$37,000.

County Pool balances averaged \$422 million during 2001, compared to \$382 million during 2000. Interest earnings distributed to the County Pool participants totaled \$21.6 million in 2001 compared to \$22.5 million during 2000. The lower interest earnings are due to lower interest rates in 2001 compared to 2000. County funds make up 32% of the County Pool. Other major Pool participants include the Vancouver School District at 24%, the Camas School District at 8%, the Evergreen School District at 7%, and the Port of Vancouver at 7%.

On a total return basis, the County Pool ended the fourth quarter at 2.34%, compared to the custom Treasury total return index of 2.65%. On a book value return basis, the County Pool rate, on a net basis, yielded 4.17%, compared to the custom Treasury Index with a book value return of 2.06%. The net asset value of the County Pool ended the quarter at 1.00000. An unrealized loss of \$380,900 was distributed to the Clark County Pool participants for the fair market value adjustment at the end of December. In accordance with our investment policy, fair market value adjustments are made four times per year.

Our current strategy is to invest in the 1-2 year maturity sector to shorten the average maturity of the portfolio to eight to nine months. In addition, should yields on short-term money market securities increase above the Washington State Investment Pool's (State Pool) yield, we will ladder securities out to one year. We recognize that when short-term interest rates are declining, the State Pool lags current money market interest rates, which will continue to make it advantageous to invest short-term money with the State Pool. We will continue to look for swap opportunities, and should these opportunities present themselves we will execute such transactions.

### **SECTION III - 2001 YEAR-TO-DATE**

#### INVESTMENT ACTIVITY:

For 2001, County residual principal balances averaged \$57 thousand less than 2000 on an average monthly basis. Actual 2001 average County residual balances exceeded projections by approximately \$10 million.

Date	2000 Residual Balance	2001 Residual Balance	2001 Projected Residual Balance
January	37,183,263	39,714,479	33,000,000
February	34,292,579	36,830,593	31,000,000
March	43,572,679	35,949,803	32,000,000
April	53,383,941	57,988,038	47,500,000
May	110,796,713	121,986,045	97,000,000
June	66,920,061	66,540,866	52,500,000
July	52,075,914	45,552,145	35,000,000
August	41,807,082	40,391,784	34,500,000
September	41,360,647	41,630,122	33,000,000
October	56,637,244	53,819,486	45,000,000
November	100,694,926	103,618,486	95,000,000
December	60,384,071	54,397,673	50,000,000
Average	58,259,094	58,201,627	48,791,667

The projected 2001 County interest earnings were \$2,929,390. The projections are periodically revised throughout the year depending on market conditions. Actual interest earnings distributed to the General Fund through 2001 totaled \$2,966,013, which is \$37 thousand more than the revised projections.

The budget for County interest earnings for the 2001/2002 biennium was originally \$6,863,830. In April 2000, when the original budget was created, the economic outlook was much different than what it is currently. In March of 2001, the nation entered a recession. The Fed took aggressive action in 2001 by lowering interest rates 11 times, which brought the Fed funds short-term interest rate to a 40-year low of 1.75%. The biennium budget will be adjusted in May 2002 to reflect a \$2.2 million reduction in interest earnings.

Date	2000 Interest Earnings	2001 Interest Earnings	2001 Projected Interest Earnings
January	163,701	207,327	173,342
February	149,323	184,229	150,694
March	203,824	179,631	174,978
April	243,109	276,363	255,313
May	528,270	534,965	547,107
June	342,793	282,538	286,563
July	265,696	197,190	197,410
August	218,688	165,088	196,075
September	212,946	167,532	182,875
October	296,196	211,171	200,208
November	525,460	364,725	363,000
December	320,049	195,254	201,825
Total	3,470,055	2,966,013	2,929,390

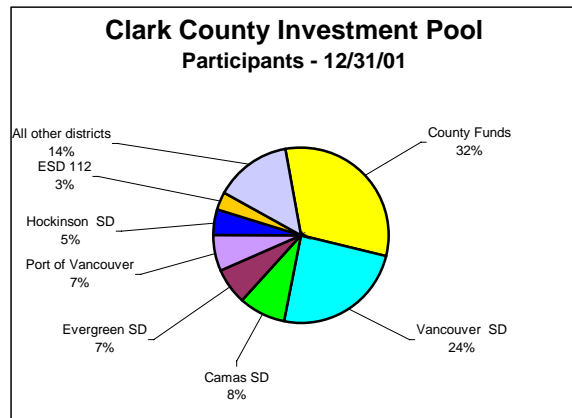
As shown below, County Pool principal balances averaged \$422 million for 2001, compared to \$382 million during 2000, approximately 10% higher. The higher principal balances are partially attributed to Clark County issuing \$37,090,000 and Vancouver SD #37 issuing \$91,000,000 in bonds during the year.

Date	2000 Pool Average Balance	2001 Pool Average Balance
January	363,106,500	356,545,966
February	351,374,234	349,605,348
March	361,263,477	338,990,190
April	352,775,568	359,569,641
May	441,182,903	477,334,427
June	398,021,365	438,945,286
July	368,496,980	402,320,153
August	363,860,908	432,165,159
September	362,347,802	439,902,487
October	378,311,909	454,734,403
November	452,912,973	534,391,249
December	388,715,186	479,213,023
Average	381,864,151	421,976,444

The table below reflects that for 2001, County Pool earnings were \$21.6 million in 2001, compared to \$22.5 million during 2000, resulting in decreased earnings of approximately 4 percent. This is due to the lower interest rate environment in 2001 compared to 2000. The Fed lowered the Fed fund interest rate 11 times during 2001.

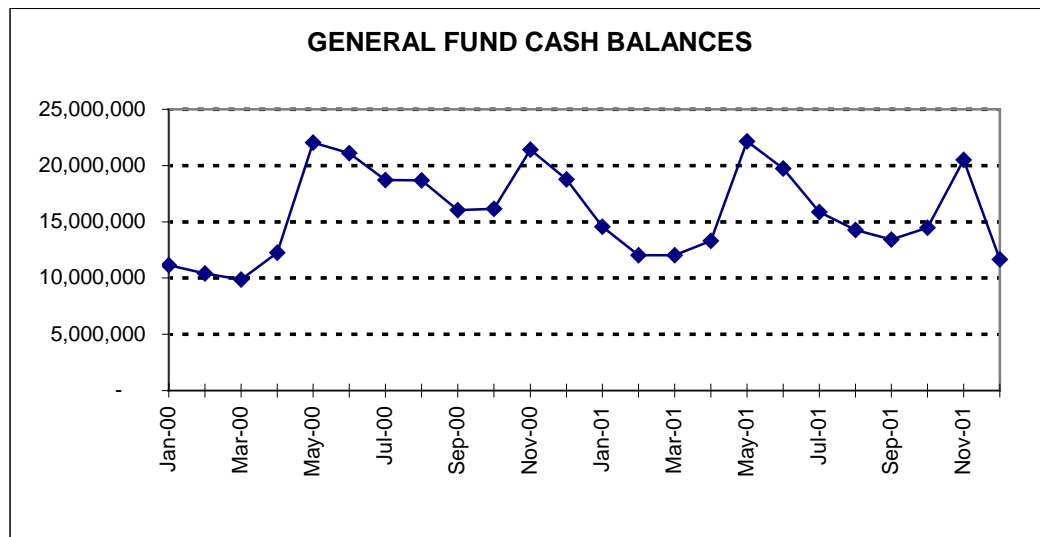
Date	2000 Pool Interest Earnings	2001 Pool Interest Earnings
January	1,599,626	1,859,734
February	1,582,913	1,743,303
March	1,688,170	1,689,390
April	1,607,536	1,711,739
May	1,894,959	2,099,382
June	2,098,357	1,863,252
July	1,878,692	1,740,612
August	1,898,738	1,788,526
September	1,863,601	1,769,776
October	1,972,603	1,785,232
November	2,359,221	1,876,160
December	2,054,172	1,718,373
Total	22,498,588	21,645,479

**Figure One** shows the major participants in the Clark County Investment Pool for the fourth quarter of 2001. In December 2001, County funds made up 32% of the Pool, Vancouver School District – 24%, Camas School District – 8%, Evergreen School District – 7%, and the Port of Vancouver – 7%.



**Figure 1**

**Figure Two** shows month-end General Fund cash balances for 2000 through 2001. As of the end of 2001, cash balances in the General Fund decreased below 2000 levels by an average of approximately \$1 million on a monthly basis. This is due primarily to the effects of the recent tax initiatives. The cash balances of the general fund will continue to decline due to lower property tax revenues.



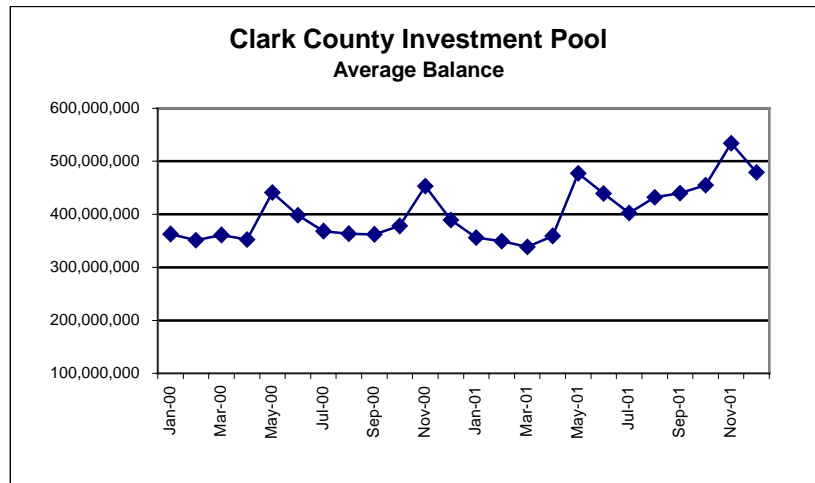
**Figure 2**

During 2001, the following costs were associated with maintaining the Clark County Investment Pool:

Bloomberg Financial System	\$21,196
Sympro Investment Accounting System	5,654
Investment Advisor – PFM	29,415
Training	2,857
Supplies and subscriptions	2,090
Phone (Bloomberg and computer lines included)	3,182
Safekeeping/Trust fees	6,171
ER & R (on two staff's computers)	5,673
Personnel costs (percent of seven employees)	<u>94,786</u>
Total 2001 expenses	\$171,024
Total amount collected from Pool participants	<u>\$204,459</u>
Amount over collected	\$33,435

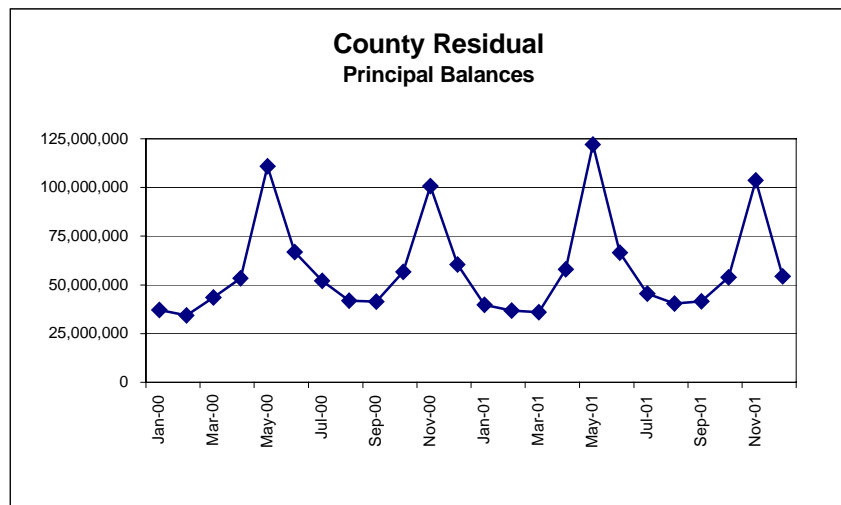
Instead of distributing a rebate for the over collected investment fee, we will reduce the fee to .0004 during the first half of 2002. The over collection occurred due to the average daily balances coming in higher than what we originally projected.

## SECTION IV - QUARTERLY ACTIVITY



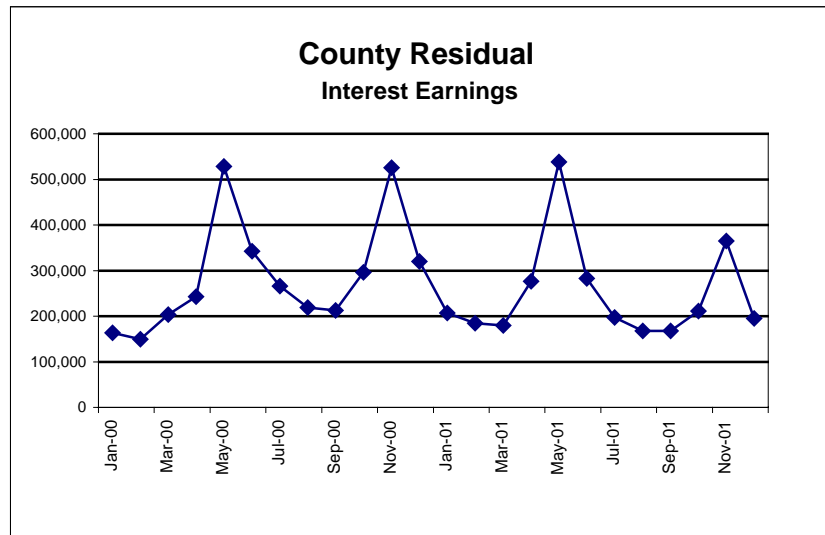
**Figure 3**

**Figure Three** reflects the average principal balances being maintained within the Pool over the last two years. For the fourth quarter of 2001, the average principal balance increased above 2000 levels by \$83 million. This is due in part to both the Port of Vancouver issuing \$10,000,000 in bonds and Vancouver SD #37 issuing \$57,700,000 in bonds in the fourth quarter of 2001.



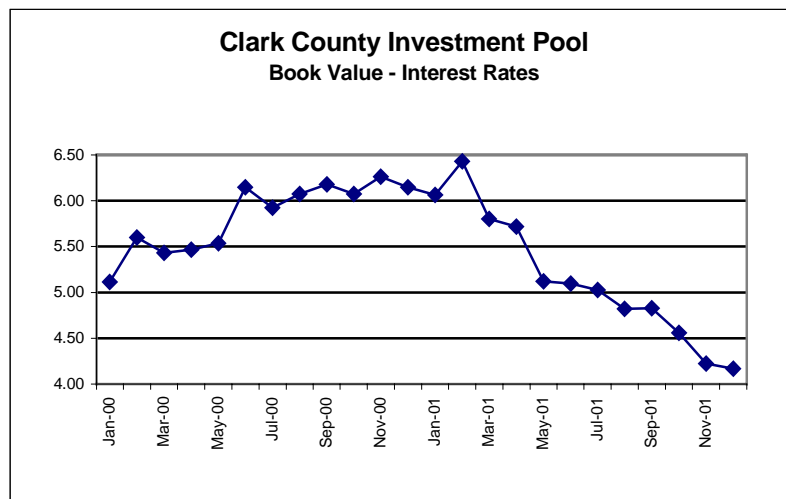
**Figure 4**

**Figure Four** reflects the actual monthly residual principal balances managed by the County for 2000 and 2001. Residual balances for fourth quarter decreased below 2000 levels by an average of \$2.3 million per month.



**Figure 5**

**Figure Five** shows interest earnings distributed each month to the County's General fund during 2000 and 2001. During the fourth quarter of 2001, interest earnings averaged \$123,000 less per month than during the same period in 2000. This is due to lower residual balances and lower interest rates during the fourth quarter. On an average monthly basis, \$257,000 was allocated to the General fund during fourth quarter of 2001. For fourth quarter of 2000, an average of \$380,000 was distributed to the General fund per month.



**Figure 6**

**Figure Six** shows the County Pool interest rates for 2000 and 2001. The County Pool's book value, gross interest rate at the end of December 2001 was 4.17%, compared to 6.15% on December 31, 2000.

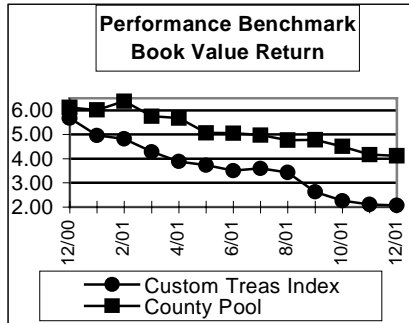


Figure 7(a)

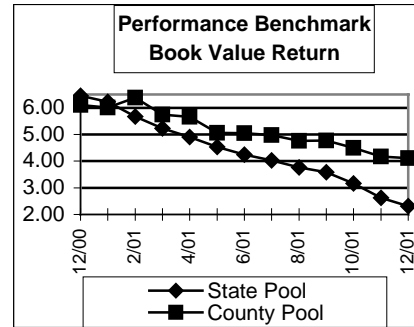


Figure 7(b)

Figures 7 (a) and (b) compare performance on a book value return basis. The County Pool's interest rate is expressed as the net interest rate (the gross rate less the investment fee). The book value return of a portfolio measures the yield based on the yield of the securities at the time the securities are purchased. These performance benchmarks consist of a composite Treasury Index with an average maturity of nine months and the Washington State Local Government Investment Pool (LGIP) with an average maturity of approximately two months. The Clark County Investment Pool has an average maturity of approximately nine months. The Treasury Index and the LGIP closely track current interest rates. At the end of the fourth quarter, the Clark County Pool's net rate, on a book value return basis was 4.17 %, the Treasury Index was 2.06%, and the State Pool's net rate was 2.31%.

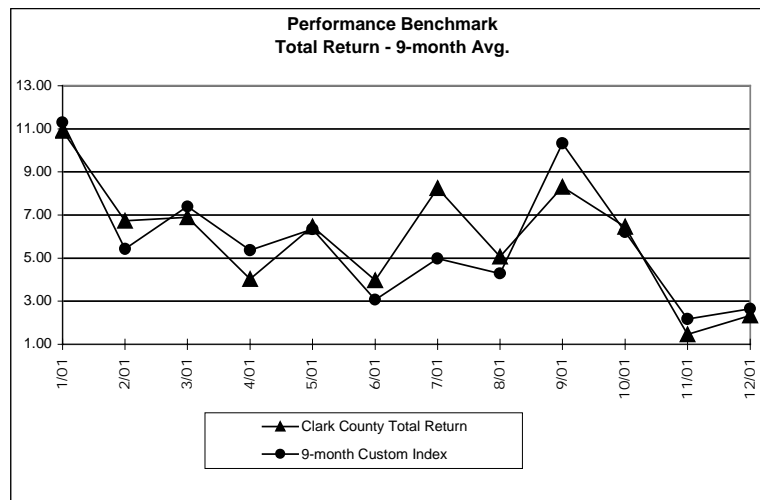
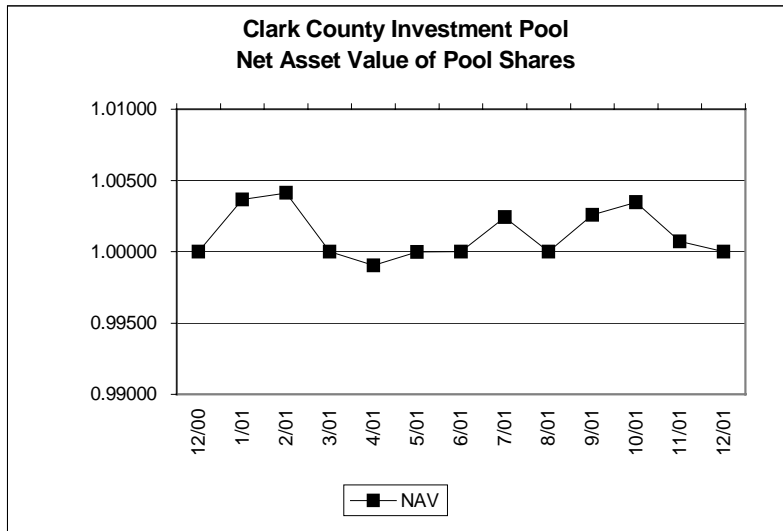


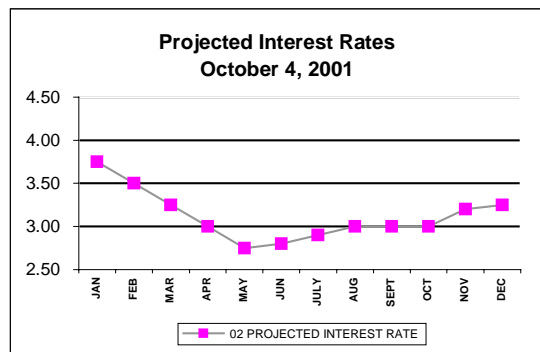
Figure 8

Figure Eight compares performance on a total return basis. Total return measures the market value increase or decrease in the value of the portfolio over a given period of time, and the interest earnings associated with the securities. The customized total return index consists of two Merrill Lynch U.S. Treasury Securities maturing from six months to one year. At the end of the fourth quarter, the total return of the County Pool was 2.34%, and the Treasury Index was 2.65%. Wide swings in return will reflect the extreme volatility in the investment markets.



**Figure 9**

**Figure Nine** shows the market value based net asset value (NAV) of the Pool portfolio. As of December 2001, the NAV was 1.00000. GASB Statement 31 requires that External Investment Pools report all investments at fair market value, if the average maturity of the Pool exceeds 90 days. On December 31, 2001 the Treasurer's Office posted approximately \$381 thousand in unrealized losses to the County Pool. The next adjustment for fair market value will occur in March, 2002.



**Figure 10**

**Figure Ten** shows the projected County Pool interest rates for 2002.

## **SECTION V - INVESTMENT STRATEGY**

The following table shows the percentage distribution of the Clark County Pool maturity periods. As the table indicates, during 2000 emphasis was placed on purchasing securities in the 0 -1 year maturity sector. During the fourth quarter of 2001, investments were purchased in the 0-1 year sector to keep the average maturity within the nine to ten month range.

<b>Period</b>	<b>0 - 1 year</b>	<b>1 – 2 years</b>	<b>2 - 5 years</b>
1 <sup>st</sup> quarter, 2000	74%	26%	0%
2 <sup>nd</sup> quarter, 2000	77%	20%	3%
3 <sup>rd</sup> quarter, 2000	73%	21%	6%
4 <sup>th</sup> quarter, 2000	66%	26%	8%
1 <sup>st</sup> quarter, 2001	65%	18%	17%
2 <sup>nd</sup> quarter, 2001	64%	20%	16%
3 <sup>rd</sup> quarter, 2001	74%	13%	12%
4 <sup>th</sup> quarter, 2001	71%	16%	13%

During the first quarter of 2002, we plan to invest in the 1-2 year maturity range to shorten the portfolio's average maturity to eight to nine months. Since yields are expected to rise over the next six to nine months, shortening the portfolio will help to protect against market risk. We are going to continually monitor our investment strategy to be proactive as economic conditions fluctuate.

We anticipate receiving approximately \$158 million in first half property tax collections, which will be used, in part, to pay debt service payments totaling approximately \$25 million on June 1, 2002. We will also be remitting approximately \$28 million to the Washington State Treasurer's Office on June 20, 2002 for property tax collections received on their behalf.

In addition, if yields on short-term money market securities increase above the State Pool's yield, we plan to ladder securities out to one year.

During the fourth quarter, 1-2 year securities were purchased to target an average maturity of nine to ten months. As of December 31st, the Clark County Investment Portfolio has produced \$4.1 million in aggregate unrealized gains. The next time unrealized gains/losses will be posted is March 31, 2002. The following is a breakdown by year reflecting the total unrealized gains/losses.

<b>Year</b>	<b>Unrealized gain/(loss)</b>
1998	566,583
1999	(2,563,593)
2000	4,038,403
2001	2,072,065
Cumulative	4,113,458

The third quarter, 2001 report issued by Public Financial Management, Inc. (PFM) recommended the following sector distributions to keep the Clark County Investment Pool at a 9-10 month average maturity:

<b>Investment Sector</b>	<b>Recommended Average Maturity</b>	<b>Current Average Maturity</b>	<b>Recommended % of Portfolio</b>	<b>Current % of Portfolio</b>
US Treasury Notes	9 months-1 year	1 year 4 months	5% - 15%	7 %
Federal Agency Notes/Disc. Notes	6 months – 2 years	1 year	50% - 75%	61%
Municipal Obligations	6 months – 2 years	6 months	0% - 5%	1%
Money Markets - State Pool, CP, CD's & BA's	1 – 60 days	3 days	20% - 40%	31%
Aggregate Avg. Maturity	9-10 months	9 months		

During the fourth quarter of 2001, the percentages changed slightly by a two-percent decrease in Federal Agencies and a three-percent increase in US Treasury Notes. The Municipal Obligations and money markets' percentages remained the same. The average maturity decreased by one month due to investing in shorter-term securities.

## SECTION VI - ECONOMIC/MARKET CONDITIONS

The U.S. economy, propelled by a surge in consumer spending on cars and the biggest increase in government spending in 15 years, grew at a 0.2 percent annual rate in the last quarter of 2001. This was far better than economists had been expecting. The consensus was that the GDP fell at an annual rate of 1 percent in the fourth quarter. For the year, the economy grew by just 1.1 percent, a sharp deceleration from the 4.1 percent increase in 2000. It is anticipated that growth of about 5 percent will be underway by the second half of 2002, according to Merrill Lynch economists.

The nation's unemployment rate came in at 5.8 percent for December compared to Clark County's rate of 7.6 percent. The nation's rate is expected to rise to 6.5 percent in the summer months. Economists say the strength of the economic recovery will depend in part on how consumers react to higher unemployment. Since March 2001, 1.8 million private-sector jobs have been eliminated.

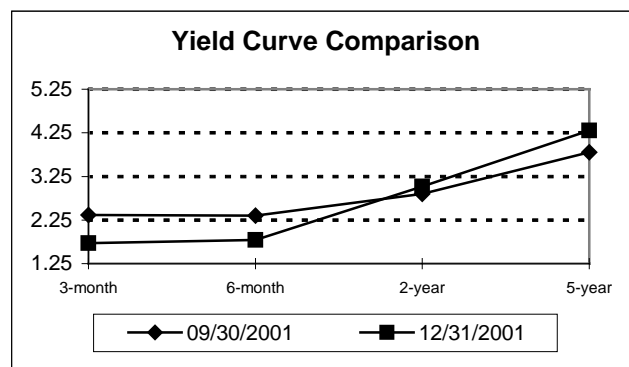
The Fed reduced the benchmark overnight bank-lending rate eleven times in 2001 to a 40-year low of 1.75 percent in December. At their meeting in January, they left rates unchanged. The FOMC stated that there are signs that the economy could be pulling out of the recession.

Consumer confidence in the U.S. economy rose to 93.7 in December compared to 84.9 in November, the biggest jump in three years. The percentage of respondents stated that they planned to buy a home within the next six months increased to 4.1 percent, the highest in nine months.

U.S. new home sales unexpectedly rose in December to the fastest pace since March to complete the best year on record, government figures showed, as buyers took advantage of historically low mortgage rates. The 5.7 percent increase, due to a surge in the western U.S., raised the annual sales rate to 946,000 new houses in December from 895,000 in November. The rate on a 30-year fixed mortgage in 2001 averaged 6.97 percent, one percentage point lower than the average in 2000 and the second lowest in the last three decades.

Inflation was less severe in December. The CPI fell 0.2% for December, reflecting lower energy prices. For all of 2001, the CPI rose by just 1.6 percent compared to a 3.5 percent jump in 2000. A dramatic drop in energy prices, reflecting weak demand amid a worldwide economic downturn, was a key force behind the significantly lower inflation reading for 2001.

On December 31, 2001 the 3-month T-bill yielded 1.720% compared to 2.365% on September 30, 2001. The yield curve begins to shift upward after the 6-month sector.



## **SECTION VII - PORTFOLIO**

**Exhibit One** shows the make up of the entire portfolio at the end of the fourth quarter of 2001. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of securities held and the percentage each makes up of the total portfolio. All percentages are consistent with the current policy.

**Exhibit Two** shows the complete portfolio listings as of the end of the quarter. This report shows the book value, the par value, and the market value of the portfolio as of December 31, 2001.

**Exhibit Three** shows the liquidity of the entire portfolio. All percentages are consistent with the current policy.

**Exhibit Four** reflects the percentage of securities purchased from each issuer relative to the entire portfolio. On December 31, 2001, the average maturity was 9 months. All the percentages are consistent with the current policy.

**Exhibit Five** shows all investment purchases and maturities from October 1, 2001 through December 31, 2001.

**Exhibit Six** shows the make up of the Clark County Investment Pool at the end of the fourth quarter of 2001. This exhibit is used to monitor compliance with the Investment Policy as far as the diversification of securities held and the percentage each makes up of the total portfolio. On December 31, 2001 the average term of the Pool was nine months. All percentages are consistent with the current policy.

**Exhibit Seven** shows the portfolio listings of the Clark County Investment Pool at the end of the quarter. This report contains the book value, the par value, and the market value as of December 31, 2001.

**Exhibit Eight** shows the liquidity of the Clark County Investment Pool. All percentages are consistent with the current policy.

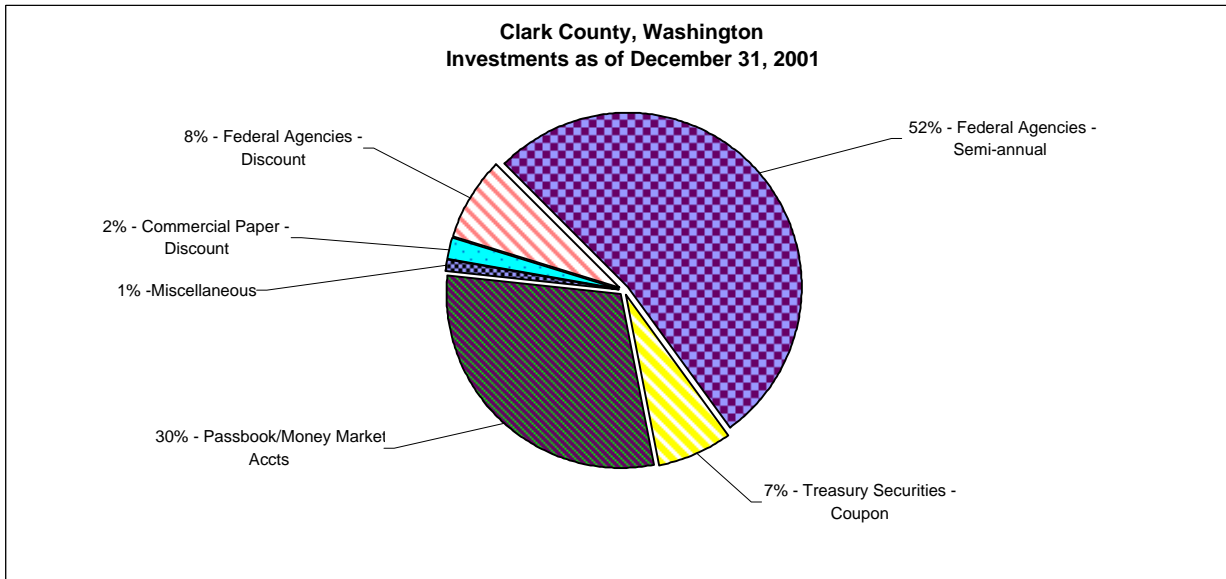
**Exhibit Nine** reflects the percentage of securities purchased from each issuer for the Clark County Investment Pool. All percentages are consistent with the current policy.

**Exhibit Ten** is a comparison of the Clark County Investment Pool to the Washington State Pool.

**Exhibit 1**

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIC  
DISTRIBUTION OF INVESTMENTS BY TYPE  
DECEMBER 31, 2001**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Commercial Paper - Discount	9,827,463.89	1.94%	28	3.531	3.580
Federal Agencies - Discount	38,829,971.52	7.68%	105	3.806	3.859
Federal Agencies - Semi-annual	266,148,607.73	52.67%	426	5.230	5.303
Treasury Securities - Coupon	35,150,585.94	6.96%	485	4.236	4.295
Treasury Securities - SLGS	528,000.00	0.10%	353	1.193	1.210
Passbook/Money Market Accts	149,865,882.75	29.66%	1	2.281	2.313
Municipal Bonds	4,991,150.00	0.99%	181	6.506	6.596
<b>Total</b>	<b>505,341,661.83</b>	<b>100.00%</b>	<b>269</b>	<b>4.152</b>	<b>4.210</b>
Accrued Interest at Purchase	25,349.14				
<b>Total Cash and Investments</b>	<b><u>505,367,010.97</u></b>				



Note 1) Miscellaneous consists of Municipal Bonds and Treasury Securities - SLGS.

# Clark County, Washington

## Investment Portfolio

### December 31, 2001

Investment Number		Purchase Date	Cusip Number	Book Value	Par Value	Market Price 12/31/01	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360 365	Maturity Date	Days to Maturity
<b>Commercial Paper - Discount</b>												
89982928	General Electric Cap. Corp.	08/03/01		9,827,463.89	10,000,000.00	99.859	9,985,900.00	158,436.11	3.470	3.530 3.579	01/29/02	28
Subtotal & Averages				9,827,463.89	10,000,000.00		9,985,900.00	158,436.11		3.530 3.579		28
<b>Federal Agencies - Discount</b>												
89982919	Federal Nat'l Mtg Assoc.	05/15/01	313589UK7	9,662,939.58	10,000,000.00	99.598	9,959,789.00	296,849.42	3.953	4.125 4.182	03/18/02	76
89982923	Federal Nat'l Mtg Assoc.	05/23/01	313589VD2	9,650,859.72	10,000,000.00	99.525	9,952,500.00	301,640.28	3.965	4.139 4.197	04/05/02	94
89982930	Federal Nat'l Mtg Assoc.	09/07/01	313589B36	9,690,133.33	10,000,000.00	97.901	9,790,050.00	99,916.67	3.320	3.446 3.494	08/09/02	220
89982929	Federal Home Loan Mtg. Corp.	08/03/01	3133975M4	9,826,038.89	10,000,000.00	99.848	9,984,758.00	158,719.11	3.460	3.521 3.570	01/31/02	30
Subtotal & Averages				38,829,971.52	40,000,000.00		39,687,097.00	857,125.48		3.926 3.981		105
<b>Federal Agencies - Semi Annual Coupon</b>												
89982840	Federal Farm Credit Bank	04/12/00	31331HP27	4,985,608.30	5,000,000.00	100.344	5,017,187.50	31,579.20	6.625	6.698 6.791	02/01/02	31
89982900	Federal Farm Credit Bank	01/25/01	31331H6G7	4,989,900.00	5,000,000.00	104.125	5,206,250.00	216,350.00	5.400	5.399 5.474	01/23/04	752
89982924	Federal Farm Credit Bank	06/01/01	31331LAT5	9,990,841.00	10,000,000.00	100.842	10,084,170.00	93,329.00	4.000	4.038 4.094	06/03/02	153
89982934	Federal Farm Credit Bank	11/09/01	31331RN35	5,277,675.68	5,025,000.00	103.063	5,178,890.63	(98,785.05)	5.150	2.594 2.630	12/02/03	700
89982837	Federal Home Loan Bank	04/11/00	3133MAT74	5,042,159.67	5,045,000.00	100.531	5,071,801.56	29,641.89	6.750	6.684 6.776	02/15/02	45
89982843	Federal Home Loan Bank	04/28/00	3133MAQJ1	4,978,200.00	5,000,000.00	100.422	5,021,093.75	42,893.75	6.750	6.913 7.009	02/01/02	31
89982844	Federal Home Loan Bank	05/04/00	3133MBER4	9,930,800.00	10,000,000.00	101.484	10,148,437.50	217,637.50	6.750	7.030 7.128	05/01/02	120
89982848	Federal Home Loan Bank	05/12/00	3133MBJ99	9,987,500.00	10,000,000.00	102.078	10,207,812.50	220,312.50	7.250	7.218 7.318	05/15/02	134
89982865	Federal Home Loan Bank	07/18/00	3133MBJ99	5,020,844.85	5,000,000.00	102.078	5,103,906.25	83,061.40	7.250	6.897 6.993	05/15/02	134
89982874	Federal Home Loan Bank	09/29/00	3133MBY84	10,090,900.00	10,000,000.00	106.422	10,642,187.50	551,287.50	6.875	6.428 6.517	08/15/03	591
89982903	Federal Home Loan Bank	03/22/01	3133MDKU6	10,000,000.00	10,000,000.00	100.766	10,076,562.50	76,562.50	5.380	5.306 5.380	03/22/04	811
89982909	Federal Home Loan Bank	04/27/01	3133MEPE5	10,004,427.60	10,000,000.00	100.578	10,057,812.50	53,384.90	4.250	4.146 4.204	04/26/02	115
89982920	Federal Home Loan Bank	05/17/01	3133MBUK1	10,308,700.00	10,000,000.00	102.438	10,243,750.00	(64,950.00)	6.875	4.080 4.137	07/18/02	198
89982839	Federal Nat'l Mtg Assoc.	04/12/00	31359MBC6	9,929,200.00	10,000,000.00	100.172	10,017,187.50	87,987.50	6.375	6.707 6.800	01/16/02	15
89982877	Federal Nat'l Mtg Assoc.	10/10/00	31359MDT7	9,822,500.00	10,000,000.00	104.031	10,403,125.00	580,625.00	5.750	6.437 6.526	04/15/03	469
89982902	Federal Nat'l Mtg Assoc.	02/15/01	31359MGY3	9,978,125.00	10,000,000.00	100.406	10,040,625.00	62,500.00	5.500	5.504 5.580	02/12/04	772
89982904	Federal Nat'l Mtg Assoc.	03/16/01	31364FFB2	5,119,817.37	5,000,000.00	102.844	5,142,187.50	22,370.13	6.200	4.586 4.650	10/28/02	300
89982905	Federal Nat'l Mtg Assoc.	04/02/01	31359MHN6	10,000,000.00	10,000,000.00	100.781	10,078,125.00	78,125.00	5.070	5.001 5.070	04/02/04	822
89982922	Federal Nat'l Mtg Assoc.	05/23/01	31359MEN9	10,100,000.00	10,000,000.00	100.594	10,059,375.00	(40,625.00)	5.375	4.044 4.100	03/15/02	73
89982933	Federal Nat'l Mtg Assoc.	11/07/01	3136FO2U5	10,000,000.00	10,000,000.00	99.453	9,945,312.50	(54,687.50)	3.375	3.329 3.375	05/07/04	857
89982849	Federal Home Loan Mtg. Corp.	05/11/00	3134A3T48	9,760,027.94	10,000,000.00	102.828	10,282,812.50	522,784.56	6.250	7.243 7.344	10/15/02	287
89982876	Federal Home Loan Mtg. Corp.	10/04/00	3134A35B8	5,011,550.00	5,000,000.00	102.547	5,127,343.75	115,793.75	6.625	6.396 6.485	08/15/02	226
89982883	Federal Home Loan Mtg. Corp.	11/07/00	3134A35B8	10,028,279.82	10,000,000.00	102.547	10,254,687.50	226,407.68	6.625	6.358 6.446	08/15/02	226
89982901	Federal Home Loan Mtg. Corp.	02/14/01	312923GH2	10,000,000.00	10,000,000.00	100.485	10,048,480.00	48,480.00	6.000	5.918 6.000	02/14/06	1505
89982907	Federal Home Loan Mtg. Corp.	04/23/01	312923WF8	10,000,000.00	10,000,000.00	100.800	10,079,950.00	79,950.00	4.625	4.562 4.625	04/23/03	477
89982912	Federal Home Loan Mtg. Corp.	05/07/01	312923ZF5	9,979,500.00	10,000,000.00	101.179	10,117,860.00	138,360.00	5.150	5.153 5.224	05/07/04	857
89982921	Federal Home Loan Mtg. Corp.	05/18/01	3134A35B8	10,278,500.00	10,000,000.00	102.547	10,254,687.50	(23,812.50)	6.625	4.231 4.290	08/15/02	226
89982931	Federal Home Loan Mtg. Corp.	09/25/01	3134A4DJ0	10,235,500.00	10,000,000.00	102.734	10,273,437.50	37,937.50	4.750	3.058 3.101	03/15/03	438
89982927	Student Loan Market Assoc.	06/29/01	86387SCN8	9,999,380.00	10,000,000.00	101.057	10,105,650.00	106,270.00	3.750	3.704 3.756	07/01/02	181
89982846	Tennessee Valley Authority	05/04/00	88O591DE9	4,872,900.00	5,000,000.00	102.891	5,144,531.25	271,631.25	6.000	7.074 7.172	09/24/02	266
89982932	Tennessee Valley Authority	10/30/01	88O591DD1	10,425,770.50	10,000,000.00	102.844	10,284,375.00	(141,395.50)	5.000	2.885 2.925	12/18/03	716
Subtotal & Averages				266,148,607.73	265,070,000.00		269,719,614.69	3,571,006.96		5.230 5.303		426

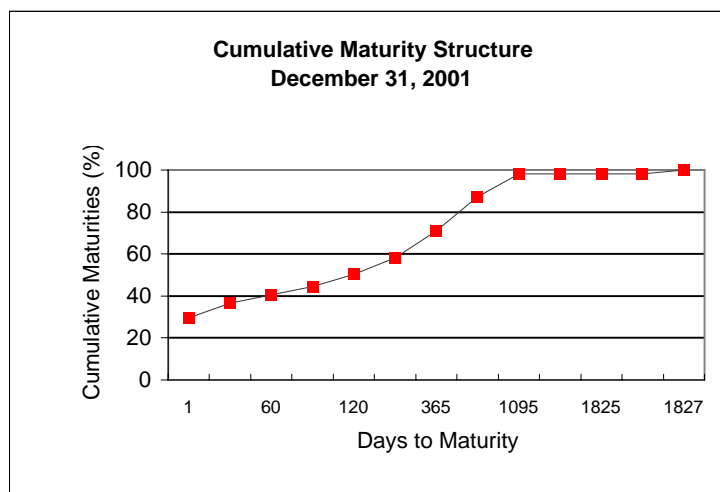
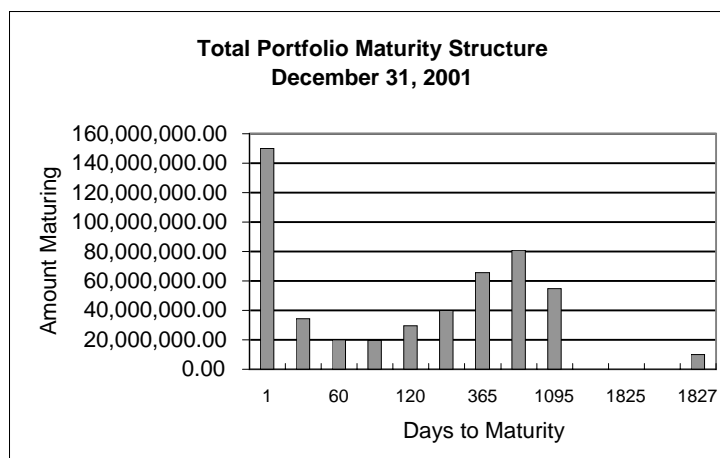
**Clark County, Washington  
Investment Portfolio  
December 31, 2001**

Investment Number		Purchase Date	Cusip Number	Book Value	Par Value	Market Price 12/31/01	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360 365	Maturity Date	Days to Maturity
<b>Treasury Securities - Coupon</b>												
89982819	US Treasury Note	02/16/00	9128275X6	4,978,125.00	5,000,000.00	100.344	5,017,187.50	39,062.50	6.375	6.524 6.614	01/31/02	30
89982820	US Treasury Note	03/20/00	9128276A5	4,998,242.19	5,000,000.00	100.734	5,036,718.75	38,476.56	6.500	6.427 6.517	02/28/02	58
89982866	US Treasury Note	08/16/00	9128274N9	4,867,968.75	5,000,000.00	104.016	5,200,781.25	332,812.50	5.250	6.144 6.229	08/15/03	591
89982935	US Treasury Note	11/09/01	9128274U3	10,353,125.00	10,000,000.00	102.391	10,239,062.50	(114,062.50)	4.250	2.411 2.444	11/15/03	683
89982936	US Treasury Note	11/16/01	9128277E6	9,953,125.00	10,000,000.00	99.781	9,978,125.00	25,000.00	2.780	2.957 2.998	10/31/03	668
Subtotal & Averages				35,150,585.94	35,000,000.00		35,471,875.00	321,289.06		4.236 4.295		485
<b>Treasury Securities - SLGS</b>												
61182937	State & Local Govt Series	12/26/01		58,000.00	58,000.00		58,000.00		1.210	1.193 1.210	12/19/02	352
61272938	State & Local Govt Series	12/26/01		177,000.00	177,000.00		177,000.00		1.210	1.193 1.210	12/20/02	353
61332939	State & Local Govt Series	12/26/01		293,000.00	293,000.00		293,000.00		1.210	1.193 1.210	12/21/02	354
Subtotal & Averages				528,000.00	528,000.00		528,000.00			1.193 1.210		353
<b>Municipal Bonds</b>												
89982872	Washington State	09/28/00	9397453G8	4,991,150.00	5,000,000.00	101.51	5,075,275.00	84,125.00	6.500	6.505 6.596	07/01/02	181
Subtotal & Averages				4,991,150.00	5,000,000.00		5,075,275.00	84,125.00		6.505 6.596		181
<b>Passbook/Money Market Accounts</b>												
0001-1	Registered Warrant Investments			1,193,742.14	1,193,742.14		1,193,742.14		3.560	3.511 3.560		1
89980002	U.S. Bank - Municipal Investment Account			1,225,544.55	1,225,544.55		1,225,544.55		1.450	1.430 1.450		1
89980001	WA State Local Government Invest. Pool			147,446,596.06	147,446,596.06		147,446,596.06		2.310	2.278 2.310		1
Subtotal & Averages				149,865,882.75	149,865,882.75		149,865,882.75			2.281 2.313		1
<b>Grand Total</b>				<b>505,341,661.83</b>	<b>505,463,882.75</b>		<b>510,333,644.44</b>	<b>4,991,982.61</b>		<b>4.152 4.210</b>		<b>269</b>

### EXHIBIT 3

#### CLARK COUNTY TOTAL INVESTMENT PORTFOLIO AGING OF MATURING INVESTMENTS DECEMBER 31, 2001

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$149,865,882.75	29.66%	29.66%
2 - 30	34,560,827.78	6.84%	36.50%
31 - 60	20,004,210.16	3.96%	40.45%
61 - 90	19,762,939.58	3.91%	44.36%
91 - 120	29,586,087.32	5.85%	50.22%
121 - 183	39,989,715.85	7.91%	58.13%
184 - 365	65,597,908.46	12.98%	71.11%
366 - 730	81,026,564.93	16.03%	87.15%
731 - 1095	54,947,525.00	10.87%	98.02%
1096 - 1461	0.00	0.00%	98.02%
1462 - 1827	10,000,000.00	1.98%	100.00%
TOTALS	\$505,341,661.83	100.00%	



**Exhibit 4**

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO  
SUMMARY OF INVESTMENTS BY ISSUER  
DECEMBER 31, 2001**

Issuer	Number of Investments	Cost	% of Portfolio	Avg YTM (365)	Days to Maturity
Federal Farm Credit Bank	4	\$ 25,244,024.98	5.00%	4.593	361
Federal Home Loan Bank	9	75,363,532.12	14.91%	6.002	276
Federal Home Loan Mtg Corp.	9	85,119,396.65	16.84%	5.147	489
Federal National Mtg Association	10	93,953,575.00	18.59%	4.808	375
General Electric Capital Corp.	1	9,827,463.89	1.94%	3.580	28
Registered Warrants @ 3.56%	1	1,193,742.14	0.24%	3.560	1
Student Loan Market Assoc.	1	9,999,380.00	1.98%	3.756	181
State and Local Govt. Series	3	528,000.00	0.10%	1.210	353
Tennessee Valley Authority	2	15,298,670.50	3.03%	4.278	572
US Bank - Municipal Investor Account	1	1,225,544.55	0.24%	1.450	1
US Treasury Note	5	35,150,585.94	6.96%	4.295	484
Washington State Municipal Bond	1	4,991,150.00	0.99%	6.596	273
Washington State Pool	1	147,446,596.06	29.18%	2.310	1
<b>TOTALS and AVERAGES</b>	<b>48</b>	<b>\$ 505,341,661.83</b>	<b>100.00%</b>	<b>4.210</b>	<b>269</b>

**EXHIBIT 5**

**CLARK COUNTY TOTAL INVESTMENT PORTFOLIO  
INVESTMENT ACTIVITY BY TYPE  
OCTOBER 1, 2001 - DECEMBER 31, 2001**

<b>NUMBER</b>	<b>ISSUER</b>	<b>STATED RATE</b>	<b>DATE</b>	<b>PURCHASES</b>	<b>MATURITIES</b>	<b>BALANCE</b>
<b>CERTIFICATES OF DEPOSIT - 360</b>				<b>BEGINNING BALANCE:</b>		<b>20,000,000.00</b>
89982914	Bank of America	4.00	12/03/01		10,000,000.00	
89982917	Washington Mutual	3.91	12/03/01		10,000,000.00	
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	20,000,000.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	20,000,000.00
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	20,000,000.00	0.00
<b>COMMERCIAL PAPER - DISCOUNT</b>				<b>BEGINNING BALANCE:</b>		<b>9,827,463.89</b>
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	9,827,463.89
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	9,827,463.89
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	9,827,463.89
<b>FEDERAL AGENCIES - DISCOUNT</b>				<b>BEGINNING BALANCE:</b>		<b>38,829,971.52</b>
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	38,829,971.52
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	38,829,971.52
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	38,829,971.52
<b>FEDERAL AGENCIES - SEMI ANNUAL COUPON</b>				<b>BEGINNING BALANCE:</b>		<b>245,443,446.40</b>
89982875	Federal National Mtg. Assoc.	6.52	10/15/01		4,998,284.85	
89982932	Tennessee Valley Authority	5.00	10/30/01	10,425,770.50		
89982933	Federal National Mtg. Assoc.	3.38	11/07/01	10,000,000.00		
89982934	Federal Farm Credit Bank	5.15	11/09/01	5,277,675.68		
SUBTOTALS and ENDING BALANCE - OCTOBER				10,425,770.50	4,998,284.85	250,870,932.05
SUBTOTALS and ENDING BALANCE - NOVEMBER				15,277,675.68	0.00	266,148,607.73
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	266,148,607.73
<b>MUNICIPAL BONDS</b>				<b>BEGINNING BALANCE:</b>		<b>4,991,150.00</b>
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	4,991,150.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	0.00	4,991,150.00
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	4,991,150.00
<b>TREASURY SECURITIES - COUPON</b>				<b>BEGINNING BALANCE:</b>		<b>19,909,570.32</b>
89982935	US Treasury Note	4.25	11/09/01	10,353,125.00		
89982841	US Treasury Note	7.50	11/15/01		5,065,234.38	
89982936	US Treasury Note	2.75	11/16/01	9,953,125.00		
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	19,909,570.32
SUBTOTALS and ENDING BALANCE - NOVEMBER				20,306,250.00	5,065,234.38	35,150,585.94
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	35,150,585.94
<b>TREASURY SECURITIES - SLGS</b>				<b>BEGINNING BALANCE:</b>		<b>1,680,000.00</b>
61092926	State & Local Govt. Series	2.53	11/29/01		510,000.00	
61182896	State & Local Govt. Series	4.26	11/29/01		125,000.00	
61332898	State & Local Govt. Series	4.26	11/29/01		670,000.00	
61032894	State & Local Govt. Series	4.26	12/21/01		65,000.00	
61272897	State & Local Govt. Series	4.26	12/21/01		310,000.00	
61182937	State & Local Govt. Series	1.21	12/26/01	58,000.00		
61272938	State & Local Govt. Series	1.21	12/26/01	177,000.00		
61332939	State & Local Govt. Series	1.21	12/26/01	293,000.00		
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	1,680,000.00
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	1,305,000.00	375,000.00
SUBTOTALS and ENDING BALANCE - DECEMBER				528,000.00	375,000.00	528,000.00
<b>TREASURY SECURITIES - T-BILLS</b>				<b>BEGINNING BALANCE:</b>		<b>142,448.97</b>
67032925	US Treasury Bill	3.48	11/29/01		142,448.97	
SUBTOTALS and ENDING BALANCE - OCTOBER				0.00	0.00	142,448.97
SUBTOTALS and ENDING BALANCE - NOVEMBER				0.00	142,448.97	0.00
SUBTOTALS and ENDING BALANCE - DECEMBER				0.00	0.00	0.00

## EXHIBIT 5

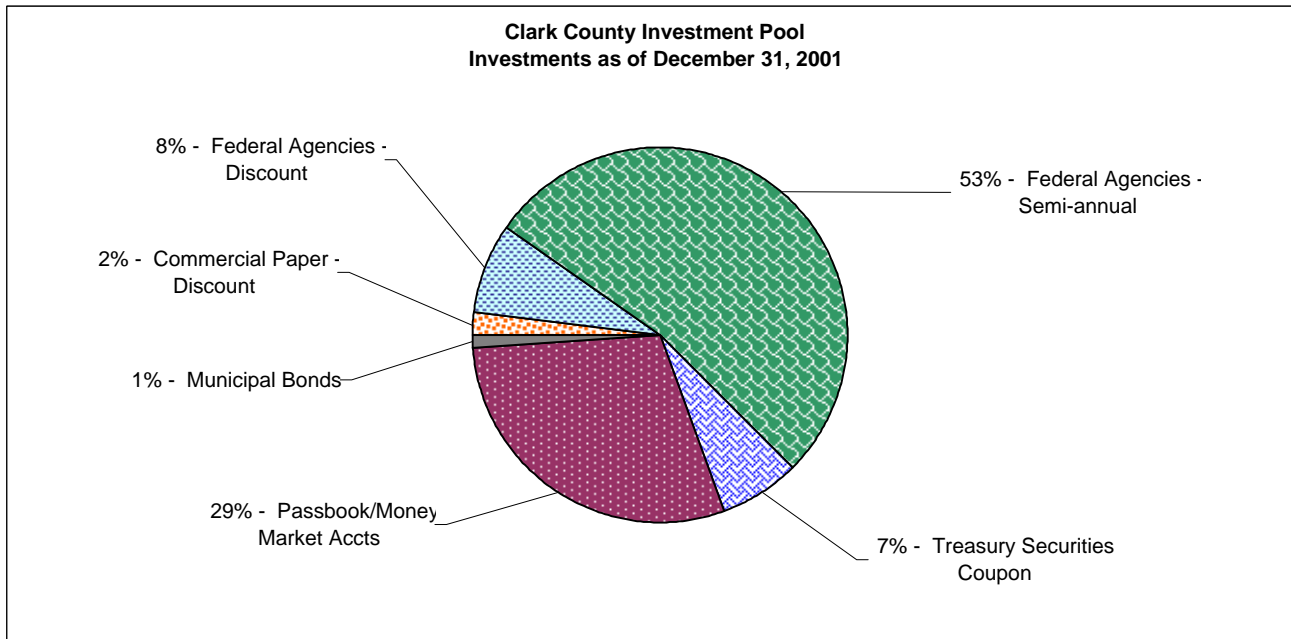
CLARK COUNTY TOTAL INVESTMENT PORTFOLIO  
INVESTMENT ACTIVITY BY TYPE  
OCTOBER 1, 2001 - DECEMBER 31, 2001

NUMBER	ISSUER	STATED RATE	DATE	PURCHASES	MATURITIES	BALANCE
<b>CLARK COUNTY</b>			<b>BEGINNING BALANCE:</b>			<b>154,028.92</b>
OCTOBER	Registered Warrant Invest Acct	4.13		4,278,848.68	2,957,304.65	1,475,572.95
NOVEMBER	Registered Warrant Invest Acct	3.75		2,828,073.47	4,103,646.42	200,000.00
DECEMBER	Registered Warrant Invest Acct	3.56		3,163,935.06	2,170,192.92	1,193,742.14
<b>US BANK</b>			<b>BEGINNING BALANCE:</b>			<b>1,317,451.94</b>
OCTOBER	Municipal Investor Account	2.10		5,602,713.79	4,000,000.00	2,920,165.73
NOVEMBER	Municipal Investor Account	1.62		7,103,148.72	7,000,000.00	3,023,314.45
DECEMBER	Municipal Investor Account	1.45		5,202,230.10	7,000,000.00	1,225,544.55
<b>STATE POOL</b>			<b>BEGINNING BALANCE:</b>			<b>108,887,425.74</b>
OCTOBER	Washington State Pool	3.17		112,495,318.94	40,600,000.00	180,782,744.68
NOVEMBER	Washington State Pool	2.62		52,041,223.21	80,700,000.00	152,123,967.89
DECEMBER	Washington State Pool	2.31		94,922,628.17	99,600,000.00	147,446,596.06
		<b>BEGINNING BALANCE:</b>		<b>PURCHASES</b>	<b>MATURITIES</b>	<b>ENDING BALANCE:</b>
OCTOBER	<b>TOTALS</b>		<b>451,182,957.70</b>	<b>132,802,651.91</b>	<b>52,555,589.50</b>	<b>531,430,020.11</b>
NOVEMBER	<b>TOTALS</b>		<b>531,430,020.11</b>	<b>97,556,371.08</b>	<b>98,316,329.77</b>	<b>530,670,061.42</b>
DECEMBER	<b>TOTALS</b>		<b>530,670,061.42</b>	<b>103,816,793.33</b>	<b>129,145,192.92</b>	<b>505,341,661.83</b>

**Exhibit 6**

**CLARK COUNTY INVESTMENT POOL  
DISTRIBUTION OF INVESTMENTS BY TYPE  
DECEMBER 31, 2001**

Investments	Book Value	Percent of Portfolio	Average Days to Maturity	Yield to Maturity	
				360 Equivalent	365 Equivalent
Commercial Paper - Discount	9,827,463.89	1.95%	28	3.531	3.580
Federal Agencies - Discount	38,829,971.52	7.71%	104	3.806	3.859
Federal Agencies - Semi-annual	266,148,607.73	52.85%	426	5.230	5.303
Treasury Securities - Coupon	35,150,585.94	6.98%	484	4.236	4.295
Passbook/Money Market Accts	148,672,140.61	29.52%	1	2.271	2.303
Municipal Bonds	4,991,150.00	0.99%	181	6.506	6.596
<b>Total</b>	<b><u>503,619,919.69</u></b>	<b><u>100.00%</u></b>	<b><u>269</u></b>	<b><u>4.157%</u></b>	<b><u>4.215%</u></b>



# Clark County Investment Pool

## Investment Portfolio

### December 31, 2001

Investment Number	Description	Purchase Date	Cusip Number	Cost at Purchase	Book Value 12/31/01	Par Value	Market Price 12/31/01	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360 365	Maturity Date	Days to Maturity
<b>Commercial Paper - Discount</b>													
89982928	General Electric Cap. Corp.	08/03/2001	36959JAV5	9,827,463.89	9,973,011.11	10,000,000.00	99.859	9,985,900.00	158,436.11		3.531 3.580	01/29/2002	28
Subtotal & Averages				9,827,463.89	9,973,011.11	10,000,000.00		9,985,900.00	158,436.11		3.531 3.580		28
<b>Federal Agencies - Discount</b>													
89982919	Federal Nat'l Mtg Assoc.	05/15/01	313589UK7	9,662,939.58	9,916,558.33	10,000,000.00	99.598	9,959,789.00	296,849.42	3.953	4.125 4.182	03/18/02	76
89982923	Federal Nat'l Mtg Assoc.	05/23/01	313589VD2	9,650,859.72	9,896,469.44	10,000,000.00	99.525	9,952,500.00	301,640.28	3.965	4.139 4.197	04/05/02	94
89982930	Federal Nat'l Mtg Assoc.	09/07/01	313589B36	9,690,133.33	9,797,111.11	10,000,000.00	97.901	9,790,050.00	99,916.67	3.320	3.446 3.494	08/09/02	220
89982929	Federal Home Loan Mtg. Corp.	08/03/01	313397SM4	9,826,038.89	9,971,166.67	10,000,000.00	99.848	9,984,758.00	158,719.11	3.460	3.521 3.570	01/31/02	30
Subtotal & Averages				38,829,971.52	39,581,305.55	40,000,000.00		39,687,097.00	857,125.48		3.806 3.859		104
<b>Federal Agencies - Semi Annual Coupon</b>													
							0.000						
89982840	Federal Farm Credit Bank	04/12/00	31331HP27	4,985,608.30	4,999,334.74	5,000,000.00	100.344	5,017,187.50	31,579.20	6.625	6.698 6.791	02/01/02	31
89982900	Federal Farm Credit Bank	01/25/01	31331H6G7	4,989,900.00	4,993,048.05	5,000,000.00	104.125	5,206,250.00	216,350.00	5.400	5.398 5.473	01/23/04	752
89982924	Federal Farm Credit Bank	06/01/01	31331LAT5	9,990,841.00	9,996,154.23	10,000,000.00	100.842	10,084,170.00	93,329.00	4.000	4.038 4.094	06/03/02	153
89982934	Federal Farm Credit Bank	11/09/01	31331RN35	5,277,675.68	5,259,991.78	5,025,000.00	103.063	5,178,890.63	(98,785.05)	5.150	2.594 2.630	12/02/03	700
89982837	Federal Home Loan Bank	04/11/00	3133MAT74	5,042,159.67	5,044,811.79	5,045,000.00	100.531	5,071,801.56	29,641.89	6.750	6.684 6.776	02/15/02	45
89982843	Federal Home Loan Bank	04/28/00	3133MAQJ1	4,978,200.00	4,998,966.82	5,000,000.00	100.422	5,021,093.75	42,893.75	6.750	6.913 7.009	02/01/02	31
89982844	Federal Home Loan Bank	05/04/00	3133MBER4	9,930,800.00	9,988,418.41	10,000,000.00	101.484	10,148,437.50	217,637.50	6.750	7.030 7.128	05/01/02	120
89982848	Federal Home Loan Bank	05/12/00	3133MBJ99	9,987,500.00	9,997,683.26	10,000,000.00	102.078	10,207,812.50	220,312.50	7.250	7.218 7.318	05/15/02	134
89982865	Federal Home Loan Bank	07/18/00	3133MBJ99	5,020,844.85	5,004,251.46	5,000,000.00	102.078	5,103,906.25	83,061.40	7.250	6.897 6.992	05/15/02	134
89982874	Federal Home Loan Bank	09/29/00	3133MBY34	10,090,900.00	10,051,240.93	10,000,000.00	106.422	10,642,187.50	551,287.50	6.875	6.428 6.517	08/15/03	591
89982903	Federal Home Loan Bank	03/22/01	3133MDKU6	10,000,000.00	10,000,000.00	10,000,000.00	100.766	10,076,562.50	76,562.50	5.380	5.306 5.380	03/22/04	811
89982909	Federal Home Loan Bank	04/27/01	3133MEPE5	10,004,427.60	10,001,418.31	10,000,000.00	100.578	10,057,812.50	53,384.90	4.250	4.146 4.204	04/26/02	115
89982920	Federal Home Loan Bank	05/17/01	3133MBUK1	10,308,700.00	10,144,451.07	10,000,000.00	102.438	10,243,750.00	(64,950.00)	6.875	4.080 4.137	07/18/02	198
89982839	Federal Nat'l Mtg Assoc.	04/12/00	31359MBC6	9,929,200.00	9,998,324.92	10,000,000.00	100.172	10,017,187.50	87,987.50	6.375	6.707 6.800	01/16/02	15
89982877	Federal Nat'l Mtg Assoc.	10/10/00	31359MDT7	9,822,500.00	9,908,994.48	10,000,000.00	104.031	10,403,125.00	580,625.00	5.750	6.437 6.526	04/15/03	469
89982902	Federal Nat'l Mtg Assoc.	02/15/01	31359MGY3	9,978,125.00	9,984,543.29	10,000,000.00	100.406	10,040,625.00	62,500.00	5.500	5.503 5.580	02/12/04	772
89982904	Federal Nat'l Mtg Assoc.	03/16/01	31364FFB2	5,119,817.37	5,061,143.92	5,000,000.00	102.844	5,142,187.50	22,370.13	6.210	4.586 4.650	10/28/02	300
89982905	Federal Nat'l Mtg Assoc.	04/02/01	31359MHN6	10,000,000.00	10,000,000.00	10,000,000.00	100.781	10,078,125.00	78,125.00	5.070	5.000 5.070	04/02/04	822
89982922	Federal Nat'l Mtg Assoc.	05/23/01	31359MEN9	10,100,000.00	10,025,342.47	10,000,000.00	100.594	10,059,375.00	(40,625.00)	5.375	4.044 4.100	03/15/02	73
89982933	Federal Nat'l Mtg Assoc.	11/07/01	3136FO2U5	10,000,000.00	10,000,000.00	10,000,000.00	99.453	9,945,312.50	(54,687.50)	3.375	3.329 3.375	05/07/04	857
89982849	Federal Home Loan Mtg. Corp.	05/11/00	3134A3T48	9,760,027.94	9,922,022.81	10,000,000.00	102.828	10,282,812.50	360,789.69	6.250	7.243 7.344	10/15/02	287
89982876	Federal Home Loan Mtg. Corp.	10/04/00	3134A35B8	5,011,550.00	5,003,855.74	5,000,000.00	102.547	5,127,343.75	123,488.01	6.625	6.396 6.485	08/15/02	226
89982883	Federal Home Loan Mtg. Corp.	11/07/00	3134A35B8	10,028,279.82	10,009,928.97	10,000,000.00	102.547	10,254,687.50	244,758.53	6.625	6.357 6.445	08/15/02	226
89982901	Federal Home Loan Mtg. Corp.	02/14/01	312923GH2	10,000,000.00	10,000,000.00	10,000,000.00	100.485	10,048,480.00	48,480.00	6.000	5.917 6.000	02/14/06	1,505
89982907	Federal Home Loan Mtg. Corp.	04/23/01	312923WF8	10,000,000.00	10,000,000.00	10,000,000.00	100.800	10,079,950.00	79,950.00	4.625	4.561 4.625	04/23/03	477
89982912	Federal Home Loan Mtg. Corp.	05/07/01	312923ZF5	9,979,500.00	9,983,941.67	10,000,000.00	101.179	10,117,860.00	133,918.33	5.150	5.153 5.224	05/07/04	857
89982921	Federal Home Loan Mtg. Corp.	05/18/01	3134A35B8	10,278,500.00	10,139,561.52	10,000,000.00	102.547	10,254,687.50	115,125.98	6.625	4.231 4.290	08/15/02	226
89982931	Federal Home Loan Mtg. Corp.	09/25/01	3134A4DJ0	10,235,500.00	10,192,843.40	10,000,000.00	102.734	10,273,437.50	80,594.10	4.750	3.058 3.100	03/15/03	438
89982927	Student Loan Market Assoc.	06/29/01	86387SCN8	9,999,380.00	10,000,000.00	10,000,000.00	101.057	10,105,650.00	105,650.00	3.750	3.704 3.756	07/01/02	181
89982846	Tennessee Valley Authority	05/04/00	880591DE9	4,872,900.00	4,961,131.05	5,000,000.00	102.891	5,144,531.25	183,400.20	6.000	7.074 7.172	09/24/02	266
89982932	Tennessee Valley Authority	10/31/01	880591DD1	10,425,770.50	10,391,952.79	10,000,000.00	102.844	10,284,375.00	(107,577.79)	5.000	2.884 2.925	12/18/03	716
Subtotal & Averages				266,148,607.73	266,063,357.88	265,070,000.00		269,719,614.69	3,557,177.27		5.230 5.303		426
<b>Treasury Securities -Semi Annual Coupon</b>													
89982819	US Treasury Note	02/16/00	9128275X6	4,978,125.00	4,999,082.17	5,000,000.00	100.344	5,017,187.50	39,062.50	6.375	6.524 6.614	01/31/02	30
89982820	US Treasury Note	03/20/00	9128276A5	4,998,242.19	4,999,856.40	5,000,000.00	100.734	5,036,718.75	38,476.56	6.500	6.427 6.516	02/28/02	58
89982866	US Treasury Note	08/16/00	9128274N9	4,867,968.75	4,928,674.16	5,000,000.00	104.016	5,200,781.25	332,812.50	5.250	6.144 6.229	08/15/03	591
89982935	US Treasury Note	11/09/01	9128274U3	10,353,125.00	10,327,696.16	10,000,000.00	102.391	10,239,062.50	(114,062.50)	4.250	2.411 2.444	11/15/03	683
89982936	US Treasury Note	11/16/01	9128277E6	9,953,125.00	9,956,144.96	10,000,000.00	99.781	9,978,125.00	25,000.00	2.750	2.957 2.998	10/31/03	668
Subtotal & Averages				35,150,585.94	35,211,453.85	35,000,000.00		35,471,875.00	321,289.06		4.236 4.295		484

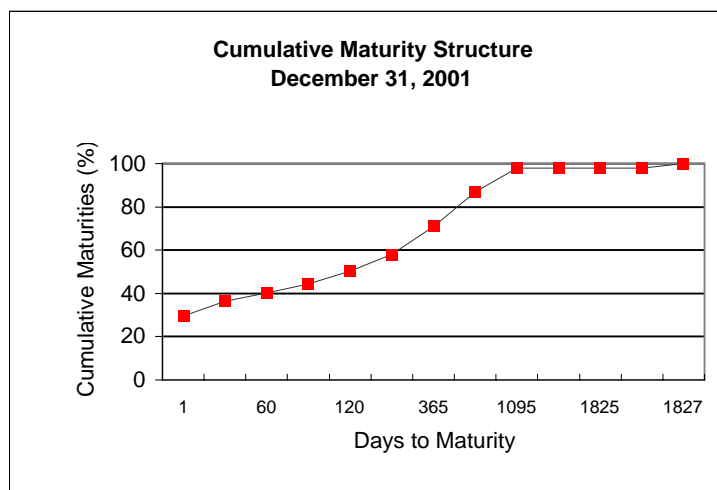
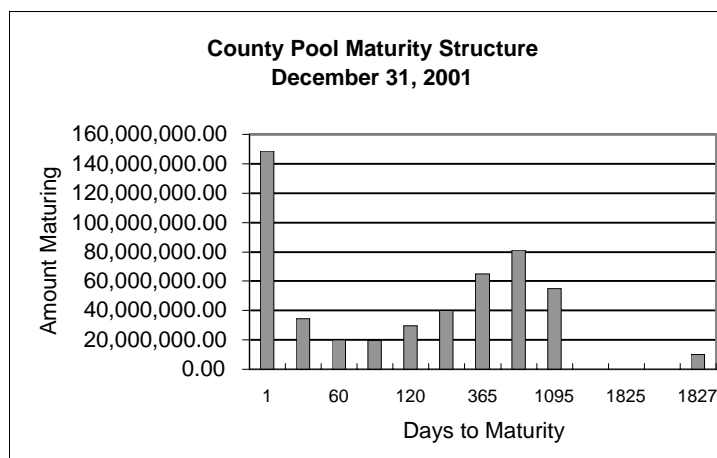
**Clark County Investment Pool**  
**Investment Portfolio**  
**December 31, 2001**

Investment Number	Description	Purchase Date	Cusip Number	Cost at Purchase	Book Value 12/31/01	Par Value	Market Price 12/31/01	Market Value	Cash Gain/(Loss) on Security	Coupon Rate	Yield to Maturity 360 365	Maturity Date	Days to Maturity
<b>Municipal Bonds</b>													
89982872	Washington State	09/28/00	9397453G8	4,991,150.00	4,997,483.41	5,000,000.00	101.51	5,075,275.00	84,125.00	6.500	6.505 6.596	07/01/02	181
Subtotal & Averages				4,991,150.00	4,997,483.41	5,000,000.00		5,075,275.00	84,125.00		6.505 6.596		181
<b>Passbook/Money Market Accounts</b>													
89980002	U.S. Bank - Municipal Investment Account			1,225,544.55	1,225,544.55	1,225,544.55		1,225,544.55		1.450	1.450 1.500		1
89980001	WA State Local Government Invest. Pool			147,446,596.06	147,446,596.06	147,446,596.06		147,446,596.06		2.311	2.311 2.346		1
Subtotal & Averages				148,672,140.61	148,672,140.61	148,672,140.61		148,672,140.61			1.881 1.923		1
<b>Grand Total</b>				<b><u>503,619,919.69</u></b>	<b><u>504,498,752.41</u></b>	<b><u>503,742,140.61</u></b>		<b><u>508,611,902.30</u></b>	<b><u>4,978,152.92</u></b>		<b><u>4.157 4.215</u></b>		<b><u>269</u></b>

## EXHIBIT 8

### CLARK COUNTY INVESTMENT POOL AGING OF MATURING INVESTMENTS DECEMBER 31, 2001

Days to Maturity	Book Value	% Maturing	Cumulative % Maturing
1	\$148,672,140.61	29.52%	29.52%
2 - 30	34,560,827.78	6.86%	36.38%
31 - 60	20,004,210.16	3.97%	40.36%
61 - 90	19,762,939.58	3.92%	44.28%
91 - 120	29,586,087.32	5.87%	50.15%
121 - 183	39,989,715.85	7.94%	58.09%
184 - 365	65,069,908.46	12.92%	71.02%
366 - 730	81,026,564.93	16.09%	87.10%
731 - 1095	54,947,525.00	10.91%	98.01%
1096 - 1461	0.00	0.00%	98.01%
1462 - 1827	10,000,000.00	1.99%	100.00%
<b>TOTALS</b>	<b>\$503,619,919.69</b>	<b>100.00%</b>	



**Exhibit 9**

**CLARK COUNTY INVESTMENT POOL  
SUMMARY OF INVESTMENTS BY ISSUER  
DECEMBER 31, 2001**

Issuer	Number of Investments	Cost	% of Portfolio	Avg YTM (365)	Days to Maturity
Federal Farm Credit Bank	4	\$ 25,244,024.98	5.01%	4.593	362
Federal Home Loan Bank	9	75,363,532.12	14.96%	6.002	277
Federal Home Loan Mtg Corp	9	85,119,396.65	16.90%	5.147	490
Federal National Mtg Association	10	93,953,575.00	18.66%	4.808	376
General Electric Capital Corp.	1	9,827,463.89	1.95%	3.580	28
Student Loan Market Assoc.	1	9,999,380.00	1.99%	3.756	181
Tennessee Valley Authority	2	15,298,670.50	3.04%	4.278	573
US Bank - Municipal Investor Account	1	1,225,544.55	0.24%	1.450	1
US Treasury Note	5	35,150,585.94	6.98%	4.295	485
Washington State Pool	1	147,446,596.06	29.28%	2.310	1
Washington State Municipal Bond	1	4,991,150.00	0.99%	6.596	181
TOTALS and AVERAGES	44	\$ 503,619,919.69	100.00%	4.215	269

# **Exhibit 10** **County Pool vs. State Pool** **1/88 - 12/01**

Overall, \$9 million increased  
interest income realized from  
Pooling

